

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

) Chapter 11

) Case No. 22-11068 (JTD)

) (Jointly Administered)

**COVER SHEET OF FIRST MONTHLY FEE APPLICATION OF JEFFERIES LLC
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT BANKER
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE
PERIOD FROM DECEMBER 23, 2022 TO AND INCLUDING DECEMBER 31, 2022**

Name of Applicant:

Jefferies LLC

Authorized to Provide Professional Services to:

Official Committee of Unsecured
Creditors

Date of Retention:

Order entered February 15, 2023
(effective as of December 23, 2022)
[Docket No. 729]

Period for Which Compensation
and Reimbursement Are Sought:

December 23, 2022 – December 31, 2022

Amount of Compensation Requested:

\$225,000.00

Amount of Compensation Requested Immediately:

\$180,000.00

Amount of Compensation to be Held Back:

\$45,000.00

Amount of Expense Reimbursement Requested:

\$5,222.50

This is a(n): X monthly ___ interim ___ final application

¹ The last four digits of FTX Trading Ltd.'s tax identification number are 3288. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

FIRST MONTHLY FEE APPLICATION OF JEFFERIES LLC**HOURS BY PROFESSIONAL**
DECEMBER 23, 2022 – DECEMBER 31, 2022**Summary of Hours by Professional**

December 23, 2022 - December 31, 2022

Name	Position	Hours
Leon Szlezinger	Managing Director, Global Joint Head of Debt Advisory & Restructuring	7.0
Jeffrey Finger	Managing Director, Co-Head of US Debt Advisory and Restructuring	6.0
Michael O'Hara	Managing Director, Co-Head of US Debt Advisory and Restructuring	7.0
Alexander Yavorsky	Managing Director, Global Joint Head of Financial Institutions Group	4.0
Gaurav Kittur	Managing Director, Co-Head of Global Internet Investment Banking	4.0
Gregory Miesner	Managing Director, Financial Sponsors	4.0
Ryan Hamilton	Senior Vice President, Debt Advisory and Restructuring	9.5
Timothy Shea	Senior Vice President, Financial Institutions Group	4.0
Alexander Gavin	Vice President, Financial Institutions Group	3.5
Daniel Homrich	Vice President, Debt Advisory and Restructuring	18.0
Daniel Morefield	Associate, Debt Advisory and Restructuring	7.0
Jordan Bloom	Analyst, Financial Institutions Group	3.5
Lars Hultgren	Analyst, Debt Advisory and Restructuring	13.0
Total		90.5

FIRST MONTHLY FEE APPLICATION OF JEFFERIES LLC**HOURS BY ACTIVITY**
DECEMBER 23, 2022 – DECEMBER 31, 2022**Summary of Hours by Category**

December 23, 2022 - December 31, 2022

Category Code #		Hours
1	Case Administration / General	-
2	Sale Process	-
3	Creditor Communication	-
4	Debtor Communication	-
5	DIP Financing	-
6	Testimony Preparation	-
7	Plan of Reorganization	-
8	Travel	-
9	Due Diligence / Analysis	24.0
10	Business Plan	-
11	Process Update and Case Strategy	66.5
Total		90.5

FIRST MONTHLY FEE APPLICATION OF JEFFERIES LLC

EXPENSES BY CATEGORY
DECEMBER 23, 2022 – DECEMBER 31, 2022

Jefferies LLC

Summary of Expenses by Category
December 23, 2022 - December 31, 2022

Category	Expenses
Internet Access Fees	20.00
Legal Fees	5,202.50
Total	\$5,222.50

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
FTX TRADING LTD., <i>et al.</i> , ¹)	Case No. 22-11068 (JTD)
)	
Debtors.)	(Jointly Administered)
)	

**FIRST MONTHLY FEE APPLICATION OF JEFFERIES LLC
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT BANKER
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE
PERIOD FROM DECEMBER 23, 2022 TO AND INCLUDING DECEMBER 31, 2022**

Jefferies LLC (“Jefferies”), the investment banker for the official committee of unsecured creditors (the “Committee”) in the chapter 11 cases of the above captioned debtors and debtors in possession (the “Debtors”), hereby submits this first monthly fee application (this “Monthly Fee Application”), pursuant to sections 328, 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 435] (the “Interim Compensation Order”), requesting (a) interim allowance of compensation for professional services rendered on behalf of the Committee during the period from December 23, 2022 to and including December 31, 2022 (the “Compensation

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Period”) in the amount of \$225,000.00; (b) payment in the amount of \$180,000.00, which is equal to 80% of Jefferies’ unpaid fees earned during the Compensation Period; and (c) interim allowance and reimbursement of 100% of the actual and necessary expenses incurred by Jefferies during the Compensation Period in connection with such services in the amount of \$5,222.50. In support of this Monthly Fee Application, Jefferies respectfully represents as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the District of Delaware (this “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other bases for the relief requested in this Monthly Fee Application are sections 328(a), 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Rule 2016-2 and the Interim Compensation Order.

BACKGROUND

3. On November 11, 2022 and November 14 (as applicable, the “Petition Date”), the Debtors filed their voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as a debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

4. On December 15, 2022, the Office of the United States Trustee for Region 3 (the “U.S. Trustee”) filed the *Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 231], and on December 20, 2022, the U.S. Trustee filed the *Amended Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 261].

5. On January 9, 2023, the Court entered the Interim Compensation Order, which

generally sets forth the procedures for interim compensation and expense reimbursement for retained professionals in the Debtors' chapter 11 cases. The Interim Compensation Order provides, among other things, that, after the twentieth (20th) day following service of a monthly fee application the applicant may file a certificate of no objection with the Court, at which time the Debtors are authorized and directed to pay such professional eighty percent (80%) of the fees and 100 percent (100%) of the expenses requested in the monthly fee application that are not subject to an objection.

6. On January 18, 2023, the Committee filed an application to retain and employ Jefferies as its investment banker [Docket No. 520] (the "Retention Application"), effective as of December 23, 2022, pursuant to the terms of that certain engagement letter between Jefferies and the Committee, dated as of December 23, 2022 (the "Engagement Letter").² A copy of the Engagement Letter was appended to the Retention Order (as defined below) as Exhibit 1.

7. On February 15, 2023, the Court entered the order approving the Retention Application [Docket No. 729] (the "Retention Order"). The Retention Order, among other things, approved the Engagement Letter, as modified by the Retention Order, pursuant to section 328(a) of the Bankruptcy Code, and authorized the Debtors to pay, reimburse and indemnify Jefferies in accordance with the terms and conditions of, and at the times specified in, the Engagement Letter.

RELIEF REQUESTED

8. By this Monthly Fee Application, Jefferies requests (a) allowance of compensation for professional services rendered on behalf of the Committee during the Compensation Period in the amount of \$225,000.00; (b) payment in the amount of \$180,000.00, which is equal to 80% of

² Unless otherwise stated, all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Engagement Letter.

Jefferies' unpaid fees earned during the Compensation Period and (c) allowance and reimbursement of 100% of the actual and necessary expenses incurred by Jefferies during the Compensation Period in connection with such services in the amount of \$5,222.50.

9. The \$225,000.00 in fees requested herein are on account of the \$225,000.00 Monthly Fee payable to Jefferies on December 23, 2022 in accordance with the Engagement Letter.

10. Although Jefferies, in line with market convention, does not bill by the hour, Jefferies kept track of its post-petition time in half-hour increments in accordance with the Retention Order. Such time records are attached hereto as **Exhibit A**. During the Compensation Period, Jefferies professionals spent approximately 90.5 hours providing investment banking services to the Committee.

11. The fees charged by Jefferies have been billed in accordance with the Engagement Letter and the Retention Order and are comparable to those fees charged by Jefferies for professional services rendered in connection with similar chapter 11 cases and non-bankruptcy matters. Jefferies submits that such fees are reasonable based upon the customary compensation charged by similarly skilled practitioners in comparable bankruptcy cases and non-bankruptcy matters in the competitive national investment banking market.

12. There is no agreement or understanding between Jefferies and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these chapter 11 cases.

ACTUAL AND NECESSARY EXPENSES

13. Jefferies incurred certain necessary expenses during the Compensation Period for which it is entitled to reimbursement under the Engagement Letter. As set forth in detail on the attached **Exhibit B**, Jefferies' total expenses for the Compensation Period are \$5,222.50.³

CERTIFICATION OF COMPLIANCE

14. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies that, to the best of his knowledge, information and belief, this Monthly Fee Application complies with that rule.

[Remainder of page intentionally left blank.]

³ The expense reimbursements requested herein may not include certain expenses incurred by Jefferies during the Compensation Period but not processed as of the date hereof. Any such expenses will be included in future monthly fee applications.

WHEREFORE, Jefferies respectfully requests (a) allowance of compensation for professional services rendered on behalf of the Committee during the Compensation Period in the amount of \$225,000.00; (b) payment in the amount of \$180,000.00, which is equal to 80% of Jefferies' unpaid fees earned during the Compensation Period and (c) allowance and reimbursement of 100% of the actual and necessary expenses incurred by Jefferies during the Compensation Period in connection with such services in the amount of \$5,222.50.

Dated: March 17, 2023
New York, New York

JEFFERIES LLC

/s/ Leon Szlezinger
Leon Szlezinger
Managing Director and Joint Global Head of
Debt Advisory and Restructuring
JEFFERIES LLC